

ADDENDUM A
DOI A-123 IMPLEMENTATION PROJECT -
FINANCIAL REPORTING ITEMS NOT COVERED BY THE MATERIALITY
DEFINITION

BACKGROUND

The scope of financial reporting subject to A-123 requirements covers required supplementary information (RSI) and required supplementary stewardship information (RSSI) as well as the principal financial statements and accompanying notes. The statement of Federal Financial Accounting Standards No. 6 “Accounting for Property, Plant and Equipment,” requires annual disclosure of the estimated cost to remedy accumulated deferred maintenance on Interior’s Plant, Property, and Equipment (PP&E) for both general and stewardship PP&E. However, the planning materiality threshold does not apply to all items presented in the RSI and RSSI sections of the DOI financial report. The quantitative data in some of these sections does not have a direct relationship to the information in the financial statements, and in many cases are presented in units of measure other than dollars.

Following is a list of items in the RSI and RSSI sections for which a separate materiality threshold is required:

Item	Units of Measure
Deferred Maintenance: <ul style="list-style-type: none"> • Roads, bridges, and trails • Irrigation, dams, and other water structures • Buildings • Other structures (e.g., recreation sites, hatcheries) 	Dollars
Stewardship Lands	Acres / Square miles
Non-Collectible Cultural Resources	Number of sites
Museum collections	Number of collections / objects
Library Collectible Heritage Assets	Number of books/periodicals
Intra-Governmental Transactions	Dollars
Investment in Research and Development	Dollars
Investment in Human Capital	Dollars
Investment in non-Federal Physical Property	Dollars

ACTION REQUIRED

A separate materiality analysis needs to be performed on each of these items to determine at what level a misstatement of an item would impact management’s or users’ conclusions or decisions.